

SENATE BILL 862
By Kyle

AN ACT to amend Tennessee Code Annotated, Title 54, Chapter 1, Part 1, relative to local administration of federal aid transportation projects.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 54, Chapter 1, Part 1, is amended by adding the following as a new section:

54-1-1__

(a) In appropriate cases, the department of transportation shall delegate project development and construction administration to qualified local agencies when developing federally-assisted transportation projects. This shall be done under rules promulgated by the department for local agency certification (LAC). Local agencies shall commit sufficient staff and other resources to project administration to ensure that all applicable state and federal requirements are met. Once a local agency has been certified, the certification agreement between the agency and the department remains in effect unless modified or rescinded by one of the parties. The local agency may develop any federal aid project for which it qualifies using the procedures permitted under LAC. For purposes of this

section, "local agency" means a county, municipality, or metropolitan government.

(b) When a local agency has been certified to administer federal aid projects, it develops and accomplishes the following:

- (1) Location and design;
- (2) Utility agreements;
- (3) Railroad agreements;
- (4) Standard consulting engineering agreements;
- (5) Environmental documents;
- (6) Bid reviews;
- (7) Advertisement and award of construction contracts;
- (8) Construction administration; and
- (9) Construction material testing and testing personnel.

(c) The federal highway administration and the department retain the approval authority or oversight responsibility for the following:

- (1) Planning requirements;
- (2) Authorization of funds;
- (3) Determination of environmental class of action;
- (4) Right-of-way certification;
- (5) Plans, specifications, and estimates;
- (6) Final inspection;
- (7) Equal employment opportunity program; and
- (8) Disadvantaged businesses.

Only local agencies operating under LAC may administer federal aid projects using agency forces.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.